

1 KEKER & VAN NEST LLP  
2 ROBERT A. VAN NEST - #84065  
3 rvannest@kvn.com  
4 CHRISTA M. ANDERSON - #184325  
5 canderson@kvn.com  
6 DANIEL PURCELL - #191424  
7 dpurcell@kvn.com  
633 Battery Street  
7 San Francisco, CA 94111-1809  
Telephone: (415) 391-5400  
Facsimile: (415) 397-7188

8 KING & SPALDING LLP  
9 BRUCE W. BABER (pro hac vice)  
10 1180 Peachtree Street, N.E.  
11 Atlanta, Georgia 30309-3521  
Telephone: (404) 572.4600  
Facsimile: (404) 572-5100

12 Attorneys for Defendant  
GOOGLE INC.

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION

19 ORACLE AMERICA, INC.,  
20 Plaintiff,  
21 v.  
22 GOOGLE INC.,  
23 Defendant.

Case No. 3:10-cv-03561 WHA

**DEFENDANT GOOGLE INC.'S  
MEMORANDUM IN SUPPORT OF ITS  
DISPUTED JURY INSTRUCTIONS**

Dept.: Courtroom 8, 19th Floor  
Judge: Hon. William Alsup

Complaint Filed: August 12, 2010  
Trial Date: May 9, 2016

1  
2                   **TABLE OF CONTENTS**  
3

4	I.	DISPUTED INSTRUCTION NO. 1: 5                   PRELIMINARY INSTRUCTION — 6                   COPYRIGHT INFRINGEMENT.....	1
7	II.	DISPUTED INSTRUCTION NO. 2: 8                   COPYRIGHT — DEFINED .....	1
9	III.	DISPUTED INSTRUCTION NO. 3: 10                  JAVA PROGRAMMING LANGUAGE.....	1
11	IV.	DISPUTED INSTRUCTION NO. 4: 12                  COPYING FROM THIRD PARTY .....	2
13	V.	DISPUTED INSTRUCTION NO. 5: 14                  ISSUE TO BE DECIDED .....	2
15	VI.	DISPUTED INSTRUCTION NO. 6: 16                  FAIR USE GENERALLY .....	3
17	VII.	DISPUTED INSTRUCTION NO. 7: 18                  FAIR USE — BACKGROUND AND POLICY.....	3
19	VIII.	DISPUTED INSTRUCTION NO. 8: 20                  FAIR USE — STATUTORY LANGUAGE.....	3
21	IX.	DISPUTED INSTRUCTION NO. 9: 22                  FAIR USE — FACTORS TO CONSIDER.....	4
23	X.	DISPUTED INSTRUCTION NO. 10: 24                  FAIR USE — FIRST FACTOR .....	5
25	XI.	DISPUTED INSTRUCTION NO. 11: 26                  FAIR USE — FIRST FACTOR — TRANSFORMATIVE.....	5
27	XII.	DISPUTED INSTRUCTION NO. 12: 28                  FAIR USE — FIRST FACTOR — COMMERCIAL NATURE.....	6
29	XIII.	DISPUTED INSTRUCTION NO. 13: 30                  FAIR USE — SECOND FACTOR .....	6
31	XIV.	DISPUTED INSTRUCTION NO. 14: 32                  FAIR USE — THIRD FACTOR.....	7
33	XV.	DISPUTED INSTRUCTION NO. 15: 34                  FAIR USE — FOURTH FACTOR .....	8
35	XVI.	DISPUTED INSTRUCTION NO. 16: 36                  FAIR USE — ADDITIONAL FACTORS .....	9

1	XVII.	DISPUTED INSTRUCTION NO. 17: FAIR USE — CONSIDERATION OF FACTORS .....	9
2	XVIII.	DISPUTED INSTRUCTION NO. 18: COPYRIGHT — DERIVATIVE WORK .....	10
3	XIX.	STIPULATED INSTRUCTION NO. 19: DAMAGES — INTRODUCTION.....	10
4	XX.	DISPUTED INSTRUCTION NO. 20: DAMAGES — INTRODUCTION.....	11
5	XXI.	DISPUTED INSTRUCTION NO. 21: DAMAGES — ACTUAL DAMAGES.....	11
6	XXII.	DISPUTED INSTRUCTION NO. 22: DAMAGES — LOST LICENSING REVENUE.....	11
7	XXIII.	DISPUTED INSTRUCTION NO. 23: DAMAGES — DEFENDANT'S PROFITS — INDIRECT PROFITS / CAUSAL LINK .....	12
8	XXIV.	DISPUTED INSTRUCTION NO. 24: DAMAGES — DEFENDANT'S PROFITS — INDIRECT PROFITS / DEDUCTIONS .....	14
9	XXV.	DISPUTED INSTRUCTION NO. 25: DAMAGES — DEFENDANT'S PROFITS — INDIRECT PROFITS / ATTRIBUTION TO OTHER FACTORS .....	14
10	XXVI.	DISPUTED INSTRUCTION NO. 26: DAMAGES — DEFENDANT'S PROFITS — WILLFULNESS .....	14
11	XXVII.	DISPUTED INSTRUCTION NO. 27: DAMAGES — STATUTORY DAMAGES .....	14
12	XXVIII.	DISPUTED INSTRUCTION NO. 28: DAMAGES — STATUTORY DAMAGES — WILLFULNESS .....	15
13			
14			
15			
16			
17			
18			
19			
20			
21			
22			
23			
24			
25			
26			
27			
28			

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
TABLE OF AUTHORITIES

## CASES

<i>Abend v. MCA, Inc.</i> , 863 F. 2d 1445 (9th Cir. 1988) .....	14
<i>Campbell v. Acuff-Rose Music, Inc.</i> , 510 U.S. 569 (1994).....	3, 5, 9
<i>Cohen v. United States</i> , 100 Fed. Cl. 461 (Ct. Cl. 2011).....	11
<i>Cream Records, Inc. v. Jos. Schlitz Brewing Co.</i> , 754 F.2d 826 (9th Cir. 1985) .....	14
<i>Data General Corp. v. Grumman Systems Support Corp.</i> , 36 F.3d 1147 (1st Cir. 1994).....	8
<i>Ets-Hokin v. Skyy Spirits, Inc.</i> , 225 F.3d 1068 (9th Cir. 2000) .....	10
<i>Fifty-Six Hope Road Music, Ltd. v. A.V.E.L.A., Inc.</i> , 778 F.3d 1059 (9th Cir. 2015) .....	13
<i>Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.</i> , 772 F.2d 505 (9th Cir. 1985) .....	14
<i>Harper &amp; Row Publishers v. Nation Enters.</i> , 471 U.S. 539 (1985).....	4, 11
<i>Harper House, Inc. v. Thomas Nelson, Inc.</i> , 5 F.3d 536, 1993 WL 346546 (9th Cir. 1993) .....	7
<i>Harris v. Emus Records Corp.</i> , 734 F.2d 1329 (9th Cir. 1984) .....	15
<i>ID Sec. Sys. Canada, Inc. v. Checkpoint Sys., Inc.</i> , 249 F. Supp. 2d 622, amended, 268 F. Supp. 2d 448 (E.D. Pa. 2003).....	12

1	<i>Kelly v. Arriba Soft Corp.</i> , 336 F.3d 811 (9th Cir. 2002) .....	6
3	<i>Litchfield v. Spielberg</i> , 736 F.2d 1352 (9th Cir. 1984) .....	10
5	<i>Mackie v. Rieser</i> , 296 F.3d 909 (9th Cir. 2002) .....	13
7	<i>Micro Star v. Formgen</i> , 154 F.3d 1107 (9th Cir. 1998) .....	10
9	<i>Monge v. Maya Magazines, Inc.</i> , 688 F.3d 1164 (9th Cir. 2012) .....	6
11	<i>Nicholls v. Tufenkian Import/Export Ventures</i> , 367 F. Supp. 2d 514 (S.D.N.Y. 2005).....	8
13	<i>NXIVM Corp. v. The Ross Institute</i> , 364 F.3d 471 (2d Cir. 2004).....	7
15	<i>Oracle Am. v. Google Inc.</i> , 750 F.3d 1339 (Fed. Cir. 2014), <i>cert. denied</i> , 135 S.Ct. 2887 (2015) .....	1, 3, 5, 7, 8
17	<i>Oracle Corp. v. SAP AG</i> , 765 F. 3d 1081 (9th Cir. 2014) .....	13
19	<i>Perfect 10, Inc. v. Amazon.com, Inc.</i> , 508 F.3d 1146 (9th Cir. 2007) .....	6
21	<i>Petrella v. Metro-Goldwyn-Mayer, Inc.</i> , 134 S. Ct. 1962 (2014).....	12
23	<i>Polar Bear Prods., Inc. v. Timex Corp.</i> , 384 F.3d 700 (9th Cir. 2004) .....	11, 13, 14
25	<i>TAS Distrib. Co. v. Cummins Engine Co.</i> , 491 F.3d 625 (7th Cir. 2007) .....	12
27		
28		

1	<i>Taylor v. Meirick</i> ,	
2	712 F.2d 1112 (7th Cir. 1983) .....	11, 13
3		
4	<i>The Authors Guild v. Google Inc.</i> ,	
5	804 F.3d 202 (2d Cir. 2015), <i>cert. denied</i> , ___ U.S.L.W. ___ (U.S. Apr. 18, 2016) .....	8, 9
6		
7	<i>TK-7 Corp. v. Estate of Barbouti</i> ,	
8	993 F.2d 722 (10th Cir. 1993) .....	12
9		
10		

## STATUTES

13	17 U.S.C. § 101 (definition of “derivative work”) .....	10
14		
15	17 U.S.C. § 103(b) .....	10
16		
17	17 U.S.C. § 106 .....	1
18		
19	17 U.S.C. § 107 .....	4
20		
21		
22	17 U.S.C. § 504(b) .....	11
23		
24		

## OTHER AUTHORITIES

23	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.0 .....	1
24		
25	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.1 .....	1
26		
27	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.18 .....	3, 4, 9
28		
	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.22 .....	11

1	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.23 .....	11
2		
3	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.24 .....	12, 14
4		
5	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.25 .....	14
6		
7	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.26 .....	14
8		
9	Ninth Circuit Civil Model Jury Instructions (Copyright) § 17.27 .....	15
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
	1 <i>Nimmer On Copyright</i> § 3.01 .....	10

1           **I.           Disputed Instruction No. 1:**  
2           **PRELIMINARY INSTRUCTION—COPYRIGHT INFRINGEMENT**

3           Google has proposed a preliminary instruction based on portions of Ninth Circuit Model  
4           Instruction 17.0, which is a model for a preliminary instruction. The instruction would provide  
5           the jury with some general background regarding the parties; the two Java SE works that are at  
6           issue; copyright generally; the kinds of works that can be copyrighted; how copyright is  
7           obtained; the reason why the copyright registrations at issue are in the name of Sun  
8           Microsystems, Inc. as opposed to Oracle; the issue the jury will need to decide; and the burden of  
9           proof. Google believes that this instruction will provide the jury with some basic background  
10           regarding what it will be asked to decide after hearing the evidence.

11           The proposed instruction differs from the model instruction in that it does not include the  
12           portions of the model instruction that relate to copyrightability, conveyances of copyrights, or  
13           infringement – none of which are relevant to the upcoming trial.

14           **II.           Disputed Instruction No. 2:**  
15           **COPYRIGHT—DEFINED**

16           Google's proposed instruction is based on Ninth Circuit Model Instruction 17.1. The  
17           substantive differences from the model instruction are:

- 18           • Google's proposed instruction more accurately states that a copyright is a group  
19           of exclusive rights rather than “the exclusive right to copy.” *See* 17 U.S.C. § 106  
20           (defining exclusive rights of copyright owner).
- 21           • Google's list of the exclusive rights that are relevant is shorter, omitting optional  
22           language from the model instruction regarding performance rights that are not at  
23           issue in this case.

24           The other changes from the model instruction are editorial in nature.

25           **III.           Disputed Instruction No. 3:**  
26           **JAVA PROGRAMMING LANGUAGE**

27           Google's proposed instruction is based on the fact – as noted by the Federal Circuit in its  
28           decision – that the Java programming language is “open and free for anyone to use,” and that  
29           Oracle makes no claim in this case regarding whether Google was free to use the Java

1 programming language in Android and to allow developers to write programs for Android in the  
 2 Java language. Google believes that it is important for the jury to be specifically told that there  
 3 are no issues or claims relating to the Java programming language per se, as Oracle's counsel  
 4 acknowledged in his opening in the first trial. (4/16/2012 Tr. 216 ("we're not making any claim,  
 5 a person can use the programming language to their heart's content.")). As the Federal Circuit  
 6 confirmed: "It is undisputed that the Java programming language is open and free for anyone to  
 7 use." *Oracle Am. v. Google Inc.*, 750 F.3d 1339, 1353 (Fed. Cir. 2014), *cert. denied*, 135 S.Ct.  
 8 2887 (2015) (hereinafter "Federal Circuit Opinion").

9

10 **IV. Disputed Instruction No. 4:  
 11 COPYING FROM THIRD PARTY**

12 Google does not believe an instruction on the subject covered by Oracle's proposed  
 13 instruction number 4 is appropriate. Google does not assert as a defense that it had a license  
 14 from a third party or that it "copied from a third party."

15

16 **V. Disputed Instruction No. 5:  
 17 ISSUE TO BE DECIDED**

18 Google's proposed instruction 5 is the first of its proposed instructions that is based on  
 19 the Court's draft fair use instructions as set forth in ECF No. 1615. Google's proposed  
 20 instruction differs from the Court's draft instruction in the following ways.

21 Google believes that the introductory paragraph of the Court's draft instructions should  
 22 be reworded to eliminate the language to the effect that "all parties agree," references to  
 23 "copying," and that Google's use "constituted copyright infringement . . . unless you find that  
 24 Google has carried its burden as to the right of fair use."

25 Section 107 of the Copyright Act makes clear that a fair use "is not an infringement of  
 26 copyright." The issue, properly framed, is whether Google's use is a fair use and therefore not  
 27 an infringement. Referring to Google's "copying" rather than Google's "use" injects a  
 28 prejudicial concept into the fair use calculus and suggests that the use was somehow illicit or  
 29 improper. But that is the issue for the jury to decide, namely whether the use was a  
 30 non-infringing fair use or "copying" that was an actionable infringement.

## VI. Disputed Instruction No. 6: FAIR USE GENERALLY

Google’s proposed instruction 6 is based on Ninth Circuit Model Instruction 17.18. It has been modified only to more accurately identify the purpose of copyright, as stated in Supreme Court decisions and by the Federal Circuit, i.e., “[t]o promote the Progress of Science and useful Arts.” Federal Circuit Opinion, 750 F.3d at 1373, quoting *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 575 (1994).

**VII. Disputed Instruction No. 7:  
FAIR USE — BACKGROUND AND POLICY**

Google’s proposed instruction 7 is based on the Court’s draft instructions. Google suggests that the policy behind the fair use doctrine be relocated, to follow immediately after the policy of protecting authors. Google also suggests that the instruction be modified to include the phrase “[without] the payment of any money to the copyright owner,” so that the jury understands the practical effect of a fair use. Google’s other suggested modifications to this portion of the Court’s instructions are editorial.

## **VIII. Disputed Instruction No. 8: FAIR USE — STATUTORY LANGUAGE**

Google’s proposed instruction 8 is also based on the Court’s draft instructions. Google suggests that this section of the draft instructions be revised to change the phrase “without notice to anyone” to “without the payment of any royalties or other amounts to the copyright owner.” There are no issues of notice, and Google believes that any reference to “notice” is unnecessary. The more important point is that anyone may make a fair use without having to make any payment to the copyright owner.

Google also suggests that the last sentence of Section 107 – which relates to unpublished works – can be eliminated as unnecessary. There are no issues in this case relating to any unpublished works, and any references to “published” or “unpublished” in this context may confuse the jury. Finally, Google suggests that the specific use at issue – namely, the use of the declaring code and SSO of the 37 Java SE API packages – be specifically identified for the jury

1 in this section of the instructions.

2

3 **IX. Disputed Instruction No. 9:**  
**FAIR USE — FACTORS TO CONSIDER**

4 Google's proposed instruction 9 reflects the need to advise the jury that the list of four  
5 factors set forth in Section 107 is not exhaustive, and that the jury may consider other factors.

6 The Supreme Court has made clear, and the text of Section 107 itself makes plain, that  
7 the four factors identified in Section 107 are "not meant to be exclusive," *Harper & Row*  
8 *Publishers v. Nation Enters.*, 471 U.S. 539, 560 (1985), and that fair use analysis should include  
9 any other factors that are relevant to the overall fair use inquiry. The Ninth Circuit model  
10 instruction explicitly reflects this, as it contemplates that additional factors may be added to the  
11 four factors set forth in Section 107. Ninth Circuit Civil Model Jury Instructions (Copyright)  
12 § 17.18 ("[5.] insert any other factor that bears on the issue of fair use.")) (emphasis in  
13 original); *see also* 17 U.S.C. § 107 ("In determining whether the use made of a work in any  
14 particular case is a fair use the factors to be considered **shall include**—") (emphasis added).

15 Oracle has agreed that the four factors are not exhaustive and that the jury may properly  
16 consider additional "factors that legitimately relate to the doctrine of fair use and the purpose  
17 behind it." *See, e.g.*, ECF No. 1005 at 1-2; *see also* ECF No. 1527 at 1. Oracle's complaint in  
18 the past has been that the jury should not be allowed to consider "whatever factors it wishes"  
19 with respect to fair use. ECF No. 1005 at 1-4. That, however, was in the context of the first  
20 trial, which included numerous issues other than fair use. The upcoming trial will be only about  
21 fair use, and only evidence relevant to fair use will be admissible. Because the jury will be asked  
22 to decide the fair use issue based on all the evidence, the jury should be told that it may consider  
23 any of the evidence that it deems helpful in deciding whether Google's use was a fair use.  
24 Explicitly instructing the jury on this issue will avoid the possibility that the jury will believe that  
25 it must be able to identify a specific factor among the four before considering specific evidence  
26 or issues.

27 Google therefore believes it is appropriate to tell the jury at this point in the instructions

1 that the four statutory factors are not the only factors that they will be allowed to consider in  
 2 determining whether Google's use was fair, and that the jury will be allowed to consider other  
 3 factors relevant to whether Google's use advances the public interest or provides public benefit.  
 4

5 **X. Disputed Instruction No. 10:  
 FAIR USE — FIRST FACTOR**

6 Google's proposed instruction 10 is based on the Court's draft instructions. Google  
 7 suggests that "research" and "scholarship" be added as examples of purposes that weigh in favor  
 8 of fair use, and that the instruction be revised slightly to make clear – consistent with the case  
 9 law – that it is the "use" or the "new work" that must be transformative, not the "purpose or  
 10 character" of the new work. *See, e.g.*, Federal Circuit Opinion, 750 F.3d at 1374 (a "use is  
 11 transformative if"; "Courts have described **new works** as 'transformative' when"; "A **work** is  
 12 not transformative where") (emphases added).

13 **XI. Disputed Instruction No. 11:  
 FAIR USE — FIRST FACTOR — TRANSFORMATIVE**

14 Google's proposed instruction 11 is based on the Court's draft instructions. Google  
 15 suggests adding to the instructions an additional paragraph that reflects the "critical question" on  
 16 the issue of transformativeness and makes clear, consistent with Ninth Circuit case law, that the  
 17 new work need not change the elements of the old work for the new work to be transformative.  
 18

19 The Supreme Court has clearly stated, and the Federal Circuit recognized in its opinion,  
 20 that a use is transformative when it "**adds something new**, with a further purpose or different  
 21 character, altering the first with new expression, meaning or message." *Campbell*, 510 U.S. at  
 22 579 (emphasis added); Federal Circuit Opinion, 750 F.3d at 1374. Quoting *Campbell*, the  
 23 Federal Circuit stated that "the critical question" on transformativeness is "whether the new work  
 24 merely supersede[s] the objects of the original creation . . . or instead adds something new."  
 25 Federal Circuit Opinion, 750 F.3d at 1374. Because this is the "critical question," the jury  
 26 should be expressly so instructed.

27 Ninth Circuit authorities cited by the Federal Circuit also recognize that a new work is  
 28 transformative when it incorporates the prior work "as part of a broader work." *See* Federal

1 Circuit Opinion, 750 F.3d at 1374 (citing and quoting *Monge v. Maya Magazines, Inc.*, 688 F.3d  
 2 1164, 1176 (9th Cir. 2012)). Because this principle is clearly relevant to the use of the declaring  
 3 code and SSO in Android, it should also be included in the instructions, as should the principle  
 4 that the new work need not change the elements of the original work to be transformative. *E.g.*,  
 5 *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146, 1165 (9th Cir. 2007) (“we determined in  
 6 *Kelly* that even making an exact copy of a work may be transformative so long as the copy serves  
 7 a different function than the original work.”); *Wall Data v. L.A. County Sheriff’s Dept.*, 447 F.3d  
 8 769, 778 (9th Cir. 2006) (use can be transformative where defendant changes plaintiff’s work or  
 9 uses it in a different context); *Kelly v. Arriba Soft Corp.*, 336 F.3d 811, 818-19 (9th Cir. 2002)  
 10 (finding use of “exact images” transformative and fair use); *see also* Federal Circuit Opinion,  
 11 750 F.3d at 1374.

12 **XII. Disputed Instruction No. 12:  
 13 FAIR USE — FIRST FACTOR — COMMERCIAL NATURE**

14 Google’s proposed instruction 12 is based on the Court’s draft instructions. The  
 15 proposed revisions are primarily editorial in nature. Google believes that it would be improper to  
 16 use the word “dominate” at the conclusion of the paragraph, and suggests that, in view of the  
 17 overall structure of the paragraph, the language be changed to “become more important.”

18 **XIII. Disputed Instruction No. 13:  
 19 FAIR USE — SECOND FACTOR**

20 Google’s proposed instruction 13 is based on the Court’s draft instructions.

21 Google requests that the Court delete from this section of the instructions the reference to  
 22 “computer languages” as unnecessary, irrelevant and incorrect. As the Court may recall from the  
 23 first trial, Google believes that “languages” are not copyrightable, *see* ECF No. 897 at 1-7, ECF  
 24 No. 1116 at 1-5, and, as noted above in connection with Google’s proposed instruction 3, there  
 25 are no issues in this case regarding the Java programming language. Referring to “computer  
 languages” in this portion of the charge would likely confuse the jury.

26 The Court should also, in this instruction, explicitly tell the jury – consistent with the  
 27 Federal Circuit’s opinion – that the jury may consider in connection with the second fair use  
 28

1 factor whether some or all of the elements of the 37 Java SE API packages are necessary to write  
 2 programs in the Java language, are essential components of any Java language-based program, or  
 3 promote compatibility and/or interoperability with the Java language. The Federal Circuit made  
 4 clear that “reasonable jurors might find” these issues relevant to this factor – and the jury should  
 5 be told that they may consider them and should be told which way those considerations weigh,  
 6 i.e., in favor of fair use. Federal Circuit Opinion, 750 F.3d at 1371-72, 1376-77.

7 **XIV. Disputed Instruction No. 14:  
 8 FAIR USE — THIRD FACTOR**

9 Google’s proposed instruction 14 is based on the Court’s draft instructions. Google’s  
 10 proposed changes to the first paragraph are editorial.

11 In the second paragraph, the “works as a whole” should be changed from the code in the  
 12 166 Java SE API packages in the Asserted Works to *all* of the code in the Asserted Works.  
 13 Precedent specifically in the fair use area confirms that the “work as a whole” for fair use  
 14 purposes is the entire work that is the subject of the registrations at issue – in this case, all of  
 15 Java 2 SE 1.4 and Java 2 SE 5.0.

16 The leading case on this issue is the Second Circuit’s decision in *NXIVM Corp. v. The*  
 17 *Ross Institute*, 364 F.3d 471, 481 (2d Cir. 2004), in which the court held that fair use analysis  
 18 under the third factor must be based on the entire work and not individual “modules,” as the  
 19 plaintiff in that case argued. In the court’s words, “[i]f plaintiffs’ argument were accepted by  
 20 courts — and, not surprisingly, plaintiffs cite no authority to support it — the third factor could  
 21 depend ultimately on a plaintiff’s cleverness in obtaining copyright protection for the smallest  
 22 possible unit of what would otherwise be a series of such units intended as a unitary work.”  
 23 *Accord, Harper House, Inc. v. Thomas Nelson, Inc.*, 5 F.3d 536, 1993 WL 346546 at 25 \*2 (9th  
 24 Cir. 1993) (unpublished) (comparisons of individual portions (pages) of parties’ works rather  
 25 than the entire works is “inappropriate and misleadingly prejudicial”; works must be compared  
 26 *as a whole*) (emphasis added).

27 This rule, moreover, is consistent with the cases recognizing that a “key purpose” of the  
 28

1 copyright deposit requirement that is a part of the registration process is “*to prevent confusion*  
 2 about *which work the author is attempting to register*” and protect under the registration. *Data*  
 3 *General Corp. v. Grumman Systems Support Corp.*, 36 F.3d 1147, 1162 (1st Cir. 1994)  
 4 (emphasis added). *See also Nicholls v. Tufenkian Import/Export Ventures*, 367 F. Supp. 2d 514,  
 5 520 (S.D.N.Y. 2005) (one of the purposes of the copyright deposit requirement is to provide  
 6 “sufficient material to identify the work in which the registrant claims a copyright”) (emphasis  
 7 added).

8 The language of the third fair use factor in Section 107 is plain and unambiguous – the  
 9 “in relation to **the copyrighted work as a whole**.” (emphasis added). There is no basis for  
 10 instructing the jury that it should consider anything other than the entire works that Sun chose to  
 11 register or any portion of those works smaller than the complete works.

12 Finally, Google also believes, for the reasons stated in connection with Google’s  
 13 proposed instruction 13 above, this portion of the instruction should contain the paragraph  
 14 advising the jury that it may properly consider in connection with the third factor whether some  
 15 or all of the elements of the 37 Java SE API packages are necessary to write programs in the Java  
 16 language, are essential components of any Java language-based program, or promote  
 17 compatibility and/or interoperability with the Java language. Federal Circuit Opinion, 750 F.3d  
 18 at 1377 (“relevant to Google’s fair use defense under the second and third factors of the  
 19 inquiry”).

20 **XV. Disputed Instruction No. 15:  
 21 FAIR USE — FOURTH FACTOR**

22 Google’s proposed instruction 15 is also based on the Court’s draft instructions.  
 23 Google’s proposed changes to the first paragraph are editorial.

24 Google proposes adding to this instruction a short paragraph, consistent with the case  
 25 law, to the effect that a use can be fair even if it causes some market harm, and that harm from a  
 26 transformative use is not recognizable harm for purposes of the fourth factor. *The Authors Guild*  
 27 *v. Google Inc.*, 804 F.3d 202, 224 (2d Cir. 2015), *cert. denied*, \_\_\_ U.S.L.W. \_\_\_ (U.S. Apr. 18,  
 28

1 2016) (“But the possibility, or even the probability or certainty, of some loss of sales does not  
 2 suffice to make the copy an effectively competing substitute that would tilt the weighty fourth  
 3 factor in favor of the rights holder in the original. There must be a meaningful or significant  
 4 effect ‘upon the potential market for or value of the copyrighted work.’ 17 U.S.C. § 107(4).”)  
 5 (Leval, J.). *See also Campbell*, 510 U.S. at 591 (“when, on the contrary, the second use is  
 6 transformative, market substitution is at least less certain, and market harm may not be so readily  
 7 inferred.”).

8 For the same reasons stated above in connection with proposed instruction 14, the  
 9 language of this portion of the instruction should also reflect that the proper focus for the jury is  
 10 the copyrighted work as a whole.

11 **XVI. Disputed Instruction No. 16:  
 12 FAIR USE — ADDITIONAL FACTORS**

13 Consistent with Model Instruction 17.18 and the case law cited in connection with  
 14 Google’s proposed instruction 9 above, Google’s proposed instruction 16 identifies additional  
 15 factors that the jury should be instructed that it may consider, in addition to the four factors  
 16 identified in Section 107.

17 Each of the four additional factors that Google identifies are based on Ninth Circuit or  
 18 other leading authorities. *Wall Data*, 447 F.3d at 778 (fair use “appropriate where a ‘reasonable  
 19 copyright owner’ would have consented to the use, i.e., where the ‘custom or public policy’ at  
 20 the time would have defined the use as reasonable”; citing legislative history); *The Authors  
 21 Guild*, 804 F.3d at 212 (“the ultimate, primary intended beneficiary of copyright is the public”).

22 **XVII. Disputed Instruction No. 17:  
 23 FAIR USE — CONSIDERATION OF FACTORS**

24 Google’s proposed instruction 17 is based on the Court’s draft instructions. Google’s  
 25 proposed changes to the first paragraph are editorial, to take into account that the jury’s  
 26 consideration is not limited to the four statutory factors.

1           **XVIII.       Disputed Instruction No. 18:**  
 2           **COPYRIGHT — DERIVATIVE WORK**

3           Google's proposed instruction 18 provides information that Google believes the jury will  
 4           need regarding the definition of a "derivative work" under copyright law. Google's proposed  
 5           instruction is based on the statutory definition found in Section 101 of the Copyright Act,  
 6           17 U.S.C. § 101 (definition of "derivative work"), and includes the language of Section 103(b)  
 7           regarding the scope of a copyright owner's rights in a derivative work.

8           The proposed instruction has two critical aspects.

9           First, not all works that include some elements of a pre-existing work qualify as  
 10           derivative works; the second work must "be based in whole or in substantial part upon the pre-  
 11           existing work and must incorporate portions of the pre-existing work that are covered by the  
 12           copyright in the pre-existing work." *Micro Star v. Formgen*, 154 F.3d 1107, 1110 (9th Cir.  
 13           1998) ("in order to qualify as a derivative work . . . [the] work . . . must substantially incorporate  
 14           protected material from the preexisting work"); *Litchfield v. Spielberg*, 736 F.2d 1352, 1357 (9th  
 15           Cir. 1984) ("The little available authority suggests that a work is not derivative unless it has been  
 16           substantially copied from the prior work."); *see also Ets-Hokin v. Skyy Spirits, Inc.*, 225 F.3d  
 17           1068, 1079 (9th Cir. 2000) ("a derivative work, unlike a compilation, must incorporate that  
 18           which itself is the subject of copyright"); 1 *Nimmer On Copyright* § 3.01 (derivative work must  
 19           be based "in whole, or in substantial part" on the pre-existing work; work is not derivative  
 20           "unless it has substantially copied from a prior work").

21           Second, a copyright in a derivative work only protects the new material contained in the  
 22           new, derivative work; it does not protect any elements of the pre-existing work of which the new  
 23           work is derivative. 17 U.S.C. § 103(b).

24           **XIX.       Stipulated Instruction No. 19:**  
 25           **DAMAGES — INTRODUCTION**

26           Instruction 19 is stipulated and is only a preamble to the Court's instructions regarding  
 27           damages.

1           **XX.           Disputed Instruction No. 20:**  
 2           **DAMAGES — INTRODUCTION**

3           Google's proposed instruction 20 is based on Ninth Circuit Model Instruction 17.22. The  
 4           modifications are to conform the instruction to the language of Section 504(b) of the Copyright  
 5           Act, 17 U.S.C. § 504(b), that is not included in the model instruction.

6           **XXI.           Disputed Instruction No. 21:**  
 7           **DAMAGES — ACTUAL DAMAGES**

8           Google's proposed instruction 21 is based on Model Instruction 17.23.

9           Google's modifications to the model instruction are intended to make clear that Oracle  
 10          must prove both the fact of damage and the amount of any lost revenue (net of expenses) in order  
 11          to recover for actual damages. The proposed instruction also makes clear that the jury may not  
 12          make an award of actual damages that is unduly speculative. *Polar Bear Prods., Inc. v. Timex*  
 13          *Corp.*, 384 F.3d 700, 709 (9th Cir. 2004) (jury may consider either a hypothetical lost license fee  
 14          or the value of the infringing use to the infringer to determine actual damages, provided the  
 15          amount is not based on undue speculation). The instruction also requires that any expenses that  
 16          Oracle would have incurred in connection with any proven lost revenues must be deducted from  
 17          the amount. *Taylor v. Meirick*, 712 F.2d 1112, 1121 (7th Cir. 1983) (“When a plaintiff contends  
 18          that lost sales revenue would have been all profit, the contention is sufficiently improbable to  
 19          require him to come forward with substantiating evidence”).

20           **XXII.           Disputed Instruction No. 22:**  
 21           **DAMAGES — LOST LICENSING REVENUE**

22           Google's proposed instruction 22 addresses Oracle's claim for damages based on  
 23          products other than those incorporating the Asserted Works. In order to recover such damages,  
 24          Oracle must first prove that there was a “necessary, immediate and direct causal connection”  
 25          between Google's infringement – i.e., the use in Android of the declaring code and SSO of the  
 26          37 Java SE API packages – and the claimed damage to the other works. *Cohen v. United States*,  
 27          100 Fed. Cl. 461, 481-82 (Ct. Cl. 2011). *See also Harper & Row*, 471 U.S. at 567 (“Similarly,  
 28          once a copyright holder establishes with reasonable probability the existence of a causal  
 29          connection between the infringement and a loss of revenue, the burden properly shifts to the

1       infringer to show that this damage would have occurred had there been no taking of copyrighted  
 2       expression.”).

3       The proposed instruction also makes clear that Oracle’s proof of the amount of any such  
 4       claimed damages must be based on credible evidence, as opposed to subjective projections or  
 5       expected profits of a new business or product line. *E.g., TK-7 Corp. v. Estate of Barbouti*, 993  
 6       F.2d 722, 732-33 (10th Cir. 1993) (subjective financial prediction); *ID Sec. Sys. Canada, Inc. v.*  
 7       *Checkpoint Sys., Inc.*, 249 F. Supp. 2d 622, 695, *amended*, 268 F. Supp. 2d 448 (E.D. Pa. 2003)  
 8       (projection by plaintiff); *TAS Distrib. Co. v. Cummins Engine Co.*, 491 F.3d 625, 633 (7th Cir.  
 9       2007) (profits of new commercial business or new product lines “are considered too uncertain,  
 10      speculative and remote to permit recovery”).

11      **XXIII.       Disputed Instruction No. 23:  
 12                   DAMAGES — DEFENDANT’S PROFITS —  
 13                   INDIRECT PROFITS / CAUSAL LINK**

14       Google’s proposed instructions 23, 24 and 25 are all based on Model Instruction 17.24.  
 15       Google submits all three instructions without prejudice to and without waiving its position that  
 16       disgorgement of profits is an equitable remedy that should be determined by the Court rather  
 17       than a jury.

18       As Google previously stated when this issue was raised after remand, Google does not  
 19       concede that Oracle has a right to a jury trial on its claim for disgorgement of profits. In *Petrella*  
 20       *v. Metro-Goldwyn-Mayer, Inc.*, 134 S. Ct. 1962 (2014), the Supreme Court characterized  
 21       disgorgement of profits under Section 504(b) of the Copyright Act as an equitable remedy:

22       As infringement remedies, the Copyright Act provides for injunctions,  
 23       § 502, impoundment and disposition of infringing articles, § 503, damages and  
 24       profits, § 504, costs and attorney’s fees, § 505. Like other restitutive remedies,  
 25       recovery of profits ‘is not easily characterized as legal or equitable,’ for it is an  
 26       ‘amalgamation of rights and remedies drawn from both systems.’ Restatement  
 27       (Third) of Restitution and Unjust Enrichment § 4, Comment *b*, p. 28 (2010).  
 28       *Given the ‘protean character’ of the profits-recovery remedy*, see *id.*, Comment  
 29       *c*, at 30, *we regard as appropriate its treatment as ‘equitable’ in this case.*

30       *Id.* at 1967 n.1 (emphasis added); *see also id.* at 1978 (referring to “the equitable relief Petrella  
 31       seeks—*e.g.*, disgorgement of unjust gains and an injunction against future infringement”).

1        See also ECF 1302 at 14 (“To be clear, and as is evident from Google’s separate  
 2 submission regarding the equitable defense of laches, ***Google does not concede that Oracle has***  
 3 ***a right to a jury trial on its claim for disgorgement of profits***, which the Supreme Court  
 4 characterized in *Petrella* as an equitable remedy....Google welcomes the opportunity to brief this  
 5 issue in full as part of a separate motion, if and when the Court desires.”) (emphasis in original).  
 6 *Cf. Fifty-Six Hope Road Music, Ltd. v. A.V.E.L.A., Inc.*, 778 F.3d 1059, 1074-76 (9th Cir. 2015)  
 7 (affirming refusal to permit jury trial on claim for profits under the Lanham Act; “A claim for  
 8 disgorgement of profits under [15 U.S.C.] § 1117(a) is equitable, not legal.”; “Moreover, even if  
 9 the claim were legal, the specific issue of profit determination cannot be said to be traditionally  
 10 tried to a jury. . . . Again, the slim history of pre-1791, trademark-like cases certainly does not  
 11 support that notion. Turning to current law, [15 U.S.C.] § 1117’s language allows judges to  
 12 determine the amount of profits, which judges regularly do. Consequently, the determination of  
 13 profits under § 1117 is not ‘fundamental, . . . inherent in and of the essence of the system of trial  
 14 by jury.’) (citations omitted).

15        Google’s proposed instruction adds a paragraph explaining to the jury the difference  
 16 between “direct profits” and the types of “indirect profits” that are at issue in this case. The  
 17 instruction includes the Ninth Circuit’s requirement that a plaintiff seeking to recover indirect  
 18 profits must make a threshold showing of a causal link between the infringement and the claimed  
 19 profits. *Polar Bear*, 384 F.3d at 711 (copyright holder must establish the existence of a causal  
 20 link before indirect profits damages can be recovered); *Mackie v. Rieser*, 296 F.3d 909, 914-15  
 21 (9th Cir. 2002) (copyright holder must establish the existence of a causal link before indirect  
 22 profits damages can be recovered; district court must conduct threshold inquiry into whether  
 23 there is a legally sufficient causal link between the infringement and subsequent indirect profits);  
 24 *See also Oracle Corp. v. SAP AG*, 765 F. 3d 1081, 1087 (9th Cir. 2014); *Taylor*, 712 F.2d at  
 25 1121.

1 **XXIV. Disputed Instruction No. 24:**  
 2 **DAMAGES — DEFENDANT'S PROFITS —**  
 3 **INDIRECT PROFITS / DEDUCTIONS**

4 Google's proposed instruction 24 is also based on Model Instruction 17.24. The changes  
 5 suggested to the portions of the model instruction covered by proposed instruction 24 are simply  
 6 for clarification.

7 **XXV. Disputed Instruction No. 25:**  
 8 **DAMAGES — DEFENDANT'S PROFITS —**  
 9 **INDIRECT PROFITS / ATTRIBUTION TO OTHER FACTORS**

10 Google's proposed instruction 24 is also based on Model Instruction 17.24.

11 The language added to the portion of the model instruction regarding apportionment of  
 12 profits has been expanded to more accurately and completely reflect Ninth Circuit case law,  
 13 including the principle that a "reasonable and just" apportionment must be made when it is clear  
 14 that not all of the indirect profits sought are attributable to the infringement. *Abend v. MCA, Inc.*,  
 15 863 F.2d 1445, 1480 (9th Cir. 1988); *Cream Records, Inc. v. Jos. Schlitz Brewing Co.*,  
 16 754 F.2d 826, 828-29 (9th Cir. 1985); *see also Frank Music Corp. v. Metro-Goldwyn-Mayer, Inc.*,  
 17 772 F.2d 505, 517 (9th Cir. 1985); *Polar Bear*, 384 F.3d at 712.

18 **XXVI. Disputed Instruction No. 26:**  
 19 **DAMAGES — DEFENDANT'S PROFITS — WILLFULNESS**

20 Google does not believe an instruction on the subject covered by Oracle's proposed  
 21 instruction number 26 is appropriate. Google does not seek to deduct income taxes or excess  
 22 profits taxes in calculating profits, and the instruction is therefore improper and unnecessary.  
 23 ECF No. 1321 (Sept. 18, 2015 Order Re Willfulness And Bifurcation) at 11-12.

24 **XXVII. Disputed Instruction No. 27:**  
 25 **DAMAGES — STATUTORY DAMAGES**

26 Google's proposed instruction 27 is based on Model Instructions 17.25 and 17.26.

27 The proposed modifications to the model instructions are to make clear that Oracle is  
 28 entitled to only two awards of statutory damages, and to include in the instruction the language  
 appearing in the comment to model instruction 17.25 regarding the considerations that should  
 guide the jury with respect to the amount of statutory damages to award, consistent with *Harris*

*v. Emus Records Corp.*, 734 F.2d 1329, 1335 (9th Cir. 1984).

**XXVIII. Disputed Instruction No. 26:  
DAMAGES — STATUTORY DAMAGES — WILLFULNESS**

Google’s proposed instruction 26 is based on the Court’s September 18, 2015 Order Re Bifurcation And Willfulness, in which the Court held that willfulness was relevant only to Oracle’s claim for statutory damages, and defined willfulness for purposes of a statutory damages award. ECF No. 1321. The language is also consistent with Model Instruction 17.27 regarding willfulness.

Respectfully submitted,

## KEKER & VAN NEST LLP

DATED: April 20, 2016

By: /s/ Robert A. Van Nest  
**ROBERT A. VAN NEST**

Atorneys for Defendant  
GOOGLE INC.